



*Commonwealth of Virginia
Office of the Governor*

Executive Order

NUMBER NINETY-FOUR (2009)

USE OF VIRGINIA RECOVERY ZONE VOLUME CAP ALLOCATIONS PROVIDED UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

Background

The American Recovery and Reinvestment Act of 2009 ("ARRA") created Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds (together, "Recovery Zone Bonds"), that must be issued before January 1, 2011 (the "Expiration Date"). Recovery Zone Bonds are intended to lower the costs of borrowing for purposes of promoting job creation and economic recovery in areas designated as Recovery Zones. Pursuant to ARRA and as described in Notice 2009-50 of the Internal Revenue Service ("Notice 2009-50"), the Commonwealth of Virginia (the "Commonwealth") received volume cap allocations of \$104,396,000 in Recovery Zone Economic Development Bonds and \$156,595,000 in Recovery Zone Facility Bonds (together, the "Commonwealth Allocation"). Notice 2009-50 further provides that the Commonwealth Allocation be initially allocated among counties and cities of the Commonwealth as provided on Exhibit A (the "Originally Awarded Localities" and the "Original Allocations").

Together, the ARRA and Notice 2009-50 provide that all or any portion of the Original Allocations may be waived or deemed waived by the Originally Awarded Localities, and upon such waiver, the state shall be authorized to re-allocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion. For additional information on Recovery Zone Bonds please visit: <http://www.irs.gov/pub/irs-drop/n-09-50.pdf>.

It is critical that the Commonwealth and its localities take advantage of this financing mechanism to create jobs, foster economic development, and develop critical infrastructure. Therefore, to the extent any Original Allocation will not be used by the Originally Awarded Localities, it is imperative to provide for the re-allocation of such unused amounts to projects that would promote economic recovery of the Commonwealth prior to the Expiration Date.

Accordingly, by virtue of the authority vested in me as Governor under Article V of the Constitution of Virginia and Sections 2.2-103 and 2.2-435.7 of the Code of Virginia, and subject

to my continuing and ultimate authority and responsibility to act in such matters, I hereby establish the following procedure for the waiver of allocations by Originally Awarded Localities, and further direct my Chief of Staff to serve as re-allocation director (the "Re-allocation Director") to establish a process for the re-allocation of such allocations waived by the Originally Awarded Localities.

Waiver Requirements

- 1) By November 2, 2009, Originally Awarded Localities intending to utilize all or any portion of the Original Allocations must file a completed Notice of Intent with the Re-allocation Director. The amount so indicated will be reserved for such locality (the "Reserved Amount"). The form for such Notice of Intent is available from the Virginia Association of Counties, the Virginia Municipal League, and at www.stimulus.virginia.gov.
- 2) Failure by any Originally Awarded Locality to file such Notice of Intent shall be deemed a waiver of its entire Original Allocation. Any amounts so waived, with any amounts in excess of Reserved Amounts and such other amounts described herein, will be considered waived by the Originally Awarded Locality (together, "Waived Amounts").
- 3) By December 15, 2009, any Originally Awarded Locality with a Reserved Amount must file a Project Verification Report with the Re-allocation Director. Such documentation will include, as applicable, (i) a resolution or action designating the Recovery Zone in accordance with Section 1400U-1 through 1400U-3 of the ARRA, (ii) a resolution of the issuer approving the project, which may take the form of a reimbursement resolution or an inducement resolution, (iii) documentation of the appropriate governing body's or bodies' or elected official's approval of the project, in conformity with applicable federal and state law; (iv) an opinion of bond counsel, and (v) a commitment letter from a purchaser or underwriter of the subject bonds. The form for such Project Verification Report including applicable attachments is available from the Virginia Association of Counties, the Virginia Municipal League, and at www.stimulus.virginia.gov.
- 4) Failure to provide a Project Verification Report shall be deemed a waiver of the Reserved Amount, and such amount so waived shall be included in the Waived Amounts.
- 5) Within 30 days of issuance of any Recovery Zone Bonds, the Originally Awarded Locality (or the entity issuing Recovery Zone Bonds on its behalf) shall provide to the Re-allocation Director the completed Internal Revenue Service reporting form then in effect for the type of Recovery Zone Bonds being issued.
- 6) Any Original Allocation, including any Reserved Amount, of Recovery Zone Bonds not issued by **March 15, 2010** will be deemed waived, and such amount so waived shall be included in the Waived Amounts.

Any Waived Amounts, including amounts voluntarily waived, deemed waived or returned to the Re-allocation Director pursuant to the process, will be available for re-allocation by the Re-

allocation Director to another locality or issuer ("Subsequent Awarded Entity"). Notwithstanding anything herein to the contrary, any Originally Awarded Locality or any Subsequent Awarded Entity may voluntarily waive its allocation at any time by providing notice to the Re-allocation Director.

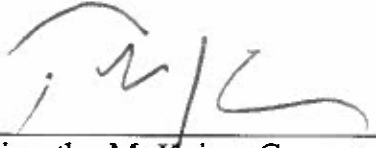
Re-Allocation Process

1. The Re-allocation Director shall develop a process for the application, evaluation and re-allocation of the Waived Amounts to maximize the use of this financing mechanism to stimulate jobs and develop critical infrastructure within the Commonwealth.
2. The Re-allocation Director is hereby authorized to delegate to any official or agency or department of the Commonwealth any matter or task described herein, to take any action that he, as the Re-allocation Director, deems necessary or desirable to affect the purposes hereof, and to create an advisory committee consistent with, and in furtherance of, this Executive Order.
3. Determination of compliance with the procedures and requirements set forth herein or in the additional guidance, including any filings to be made and the timing and substance thereof, shall be subject to the sole discretion of the Re-allocation Director. The Re-allocation Director shall have sole discretion as to the manner and location of any on-line postings required herein or pursuant to such further rules and procedures promulgated by him so long as such posting are on an official website of the Commonwealth.

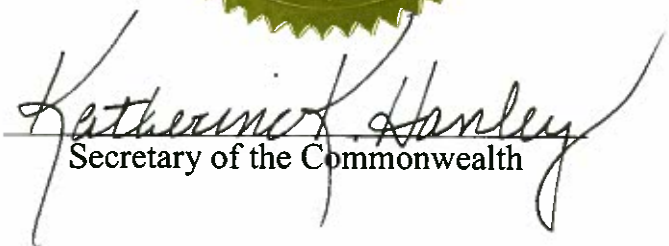
This Executive Order shall be effective upon its signing and shall remain in full force and effect until December 31, 2011, unless sooner amended or rescinded by further executive order.

Given under my hand and under the Seal of the Commonwealth of Virginia this 30th day of September 2009.




Timothy M. Kaine, Governor

Attest:


Katherine F. Hanley
Secretary of the Commonwealth

Area	Recovery Zone	
	Economic Development Residual Bond	Recovery Zone Facility Bond
Virginia	154,356,000	166,556,000
Alexandria city, VA	537,000	806,000
Chesapeake city, VA	2,555,000	3,932,000
Hampton city, VA	1,523,000	2,284,000
Newport News city, VA	1,547,000	2,921,000
Norfolk city, VA	2,304,000	3,306,000
Portsmouth city, VA	1,025,000	1,538,000
Richmond city, VA	5,860,000	9,790,000
Virginia Beach city, VA	4,556,000	7,494,000
Accomack County, VA	308,000	462,000
Albemarle County, VA	2,759,000	4,156,000
Aleghany County, VA	555,000	832,000
Amelia County, VA	354,000	591,000
Amherst County, VA	253,000	380,000
Appomattox County, VA	113,000	165,000
Arlington County, VA	750,000	1,186,000
Augusta County, VA	0	0
Bath County, VA	220,000	330,000
Bedford County, VA	577,000	865,000
Bland County, VA	0	0
Botetourt County, VA	610,000	916,000
Brunswick County, VA	67,000	101,000
Buchanan County, VA	0	0
Buckingham County, VA	0	0
Campbell County, VA	446,000	668,000
Caroline County, VA	827,000	1,241,000
Carroll County, VA	723,000	1,085,000
Charles City County, VA	226,000	339,000
Charlottesville city, VA	0	0
Cheslerfield County, VA	3,568,000	14,956,000
Clarke County, VA	49,000	73,000
Craig County, VA	89,000	133,000
Cupecoy County, VA	0	0
Cumberland County, VA	275,000	412,000
Dickenson County, VA	0	0
Dinwiddie County, VA	769,000	1,154,000
Essex County, VA	0	0
Fairfax County, VA	3,462,000	5,237,000
Fauquier County, VA	220,000	330,000
Floyd County, VA	281,000	421,000
Fluvanna County, VA	751,000	1,126,000
Franklin County, VA	515,000	1,373,000
Frederick County, VA	4,964,000	7,476,000
Giles County, VA	31,000	46,000
Gloucester County, VA	461,000	691,000
Goochland County, VA	674,000	1,012,000
Grayson County, VA	372,000	555,000
Greene County, VA	568,000	852,000
Greensville County, VA	0	0
Halifax County, VA	0	0
Hanover County, VA	3,308,000	4,963,000
Henrico County, VA	9,800,000	14,700,000
Henry County, VA	2,371,000	3,557,000
Highland County, VA	52,000	78,000
Isle of Wight County, VA	416,000	623,000
James City County, VA	702,000	1,053,000
King and Queen County, VA	199,000	298,000
King George County, VA	0	0
King William County, VA	510,000	766,000
Lancaster County, VA	0	0
Lee County, VA	0	0
Loudoun County, VA	966,000	1,475,000
Louisa County, VA	574,000	1,460,000
Lunenburg County, VA	0	0
Madison County, VA	250,000	375,000
Mathews County, VA	59,000	146,000
Mecklenburg County, VA	0	0
Middlesex County, VA	55,000	142,000
Montgomery County, VA	171,000	256,000
Nelson County, VA	427,000	641,000

Area	Recovery Zone	
	Economic Development Residual Bond	Recovery Zone Facility Bond
New Kent County, VA	568,000	952,000
Northampton County, VA	98,000	146,000
Northumberland County, VA	531,000	797,000
Notoway County, VA	479,000	719,000
Orange County, VA	690,000	1,036,000
Page County, VA	211,000	316,000
Patrick County, VA	827,000	1,241,000
Pittsylvania County, VA	1,834,000	2,751,000
Powhatan County, VA	864,000	1,296,000
Prince Edward County, VA	0	0
Prince George County, VA	882,000	1,323,000
Prince William County, VA	1,159,000	1,739,000
Pulaski County, VA	67,000	101,000
Rappahannock County, VA	418,000	627,000
Richmond County, VA	0	0
Roanoke County, VA	1,718,000	2,577,000
Rockbridge County, VA	0	0
Rockingham County, VA	3,644,000	5,466,000
Russell County, VA	467,000	700,000
Scott County, VA	0	0
Shenandoah County, VA	534,000	801,000
Smyth County, VA	501,000	751,000
Southampton County, VA	0	0
Spoilsylvania County, VA	388,000	581,000
Stafford County, VA	385,000	577,000
Stafford County, VA	82,000	124,000
Sussex County, VA	262,000	394,000
Tazewell County, VA	0	0
Warren County, VA	116,000	174,000
Washington County, VA	0	0
Westmoreland County, VA	0	0
Wise County, VA	0	0
Wyllie County, VA	0	0
York County, VA	699,000	1,048,000
Bedford city, VA	43,000	64,000
Bristol city, VA	0	0
Buena Vista city, VA	0	0
Charlottesville city, VA	1,151,000	1,726,000
Colonial Heights city, VA	552,000	829,000
Covington city, VA	211,000	316,000
Danville city, VA	1,148,000	1,721,000
Emporia city, VA	0	0
Fairfax city, VA	82,000	124,000
Falls Church city, VA	40,000	60,000
Franklin city, VA	0	0
Fredericksburg city, VA	73,000	110,000
Galax city, VA	165,000	247,000
Harrisonburg city, VA	1,590,000	2,385,000
Hopewell city, VA	617,000	925,000
Lexington city, VA	0	0
Lynchburg city, VA	549,000	824,000
Manassas city, VA	116,000	174,000
Manassas Park city, VA	40,000	60,000
Martinsville city, VA	528,000	792,000
Norton city, VA	0	0
Petersburg city, VA	821,000	1,231,000
Pocahontas city, VA	140,000	211,000
Radford city, VA	27,000	41,000
Roanoke city, VA	1,602,000	2,403,000
Salem city, VA	467,000	700,000
Staunton city, VA	0	0
Suffolk city, VA	888,000	1,332,000
Waynesboro city, VA	0	0
Williamsburg city, VA	110,000	165,000
Winchester city, VA	1,730,000	2,595,000